

President, Board of Directors:
David Allard



Chief Executive Officer:
Carrie Dyer

**Appropriations Committee Public Hearing
H.B. 6659: An Act Concerning the State Budget for the Biennium Ending June 30, 2025, and
Making Appropriations Therefor
February 28, 2023 | 10:00 am**

Good morning Senator Osten, Representative Walker, Senator Berthel, Representative Nuccio and members of the Appropriations Committee.

Thank you for the opportunity to provide testimony in support of House Bill 6659. My name is Carrie Dyer and I am the CEO of Reliance Health, a community mental health nonprofit organization that contracts with the Connecticut Departments of Developmental Services and Mental Health and Addiction Services. We have proudly served Eastern Connecticut for over 47 years and have evolved to meet the changing needs of our community. I am speaking in support of correcting the historic underfunding of the nonprofit sector and establishing a plan to recognize and adjust for inflation in a clear and dedicated way; specifically, that you increase funding for community nonprofits during the biennium by 9% in Fiscal Year 24 and 7% in Fiscal Year 25, and to index future increases to inflation. This funding is essential to honoring your long-term plan to increase funding for community nonprofits to correct the trajectory of funding lost to inflation.

Legislatively issued funding increases were greatly appreciated last year and sent a message to our employees and clientele that they are recognized and valued. The increase, however, is diminished by the years of flat and reduced funding that the nonprofit sector has suffered. This bill would allow the legislature and nonprofits to truly partner to address the tremendous gap between inflation and historic underfunding.

Our agency received no funding increase for 10 years between 2007 and 2017 and then suffered a 5% budget cut in 2017. In 2021 and 2022, we received a 4% and 5.41% increase, respectively. That leaves us 4% above our 2007 funding while facing expenses that leave us 32% below the rate of inflation. A graph is included in my written testimony to demonstrate the magnitude of that discrepancy.

This is our opportunity to be proactive and improve the contracting process. As it stands currently, state-established nonprofit budgets are locked-in upon contract signature and do not increase unless a cost of living is issued by the Governor or Legislature. Barring this, funding stays flat while expenses rise resulting in nonprofits struggling to maintain consistent staffing, offer

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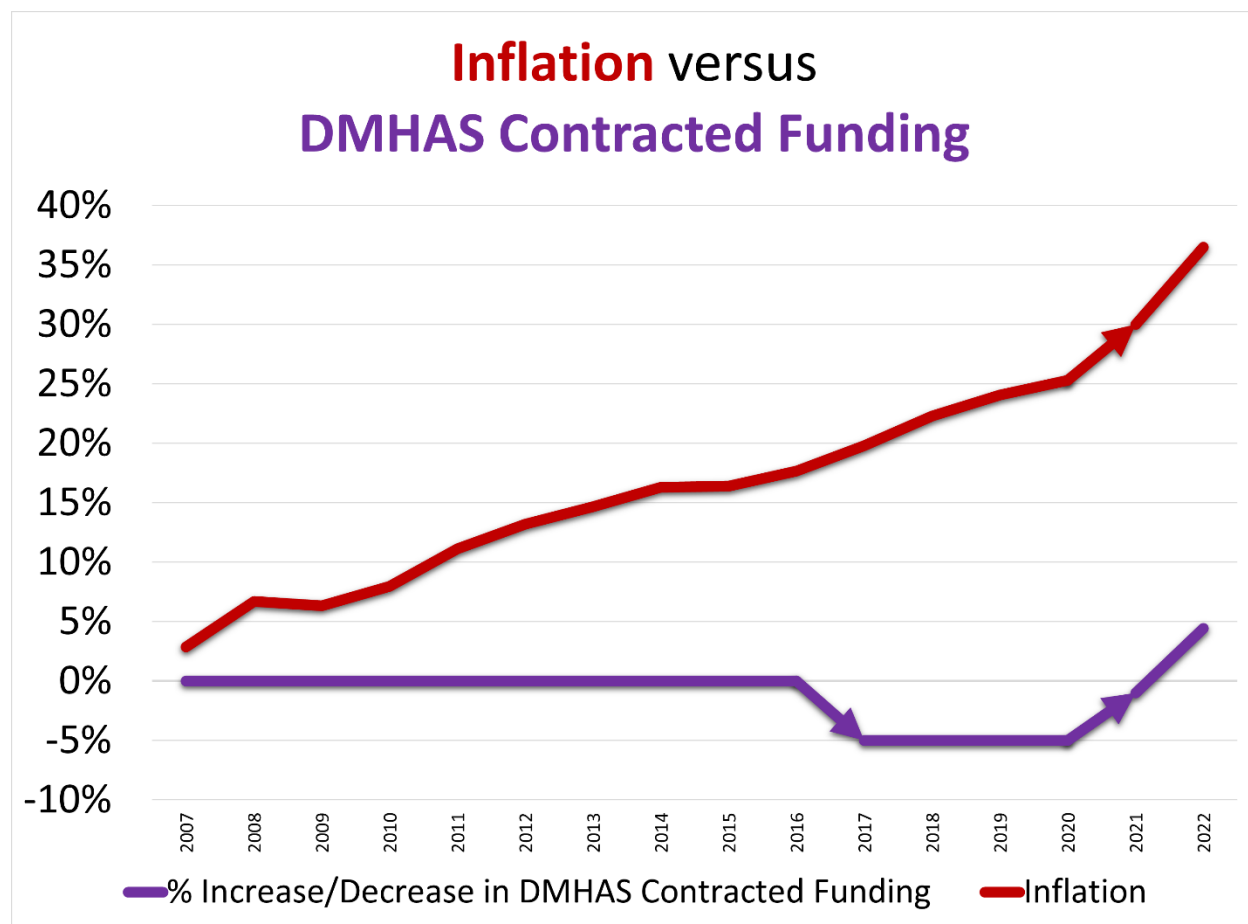
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acceptable rates of pay, and absorb astronomical increases in health insurance and overhead expenses. This dynamic must stop. We look forward to building upon the momentum of last year to create a sustainable model of indexing that stops treating the nonprofit sector like an afterthought and doesn't suggest philanthropy or one-time funds as the solution.

Thank you for your time and consideration. My written submission includes copies of previous years testimony as they continue to be relevant and demonstrate the extent of significance this topic represents.

Carrie Dyer

Carrie Dyer, MS
Chief Executive Officer
Reliance Health, Inc.



Senate Bill 406: An Act Concerning Rate Increases for Community Service Providers
Public Hearing: Appropriations Committee
March 25, 2022

Good afternoon, Senator Osten, Representative Walker, Senator Miner, Representative France, and members of the Appropriations Committee.

My name is Carrie Dyer and I am the CEO of Reliance Health, a community mental health nonprofit organization that contracts with the Connecticut Departments of Developmental Services and Mental Health and Addiction Services. We have proudly served Eastern Connecticut for over 45 years and have evolved to meet the changing needs of our community. I am speaking in support of Senate Bill 406 with one revision: that a rate increase be established and implemented now before our historically underfunded system breaks.

Nonprofit entities are businesses with necessary and legitimate expenses that are subject to inflation. Flat funded state contracts not only deny that fact but create a working environment that all but encourages our employees to leave for state jobs where they are assured a higher rate of pay, cost of living increases, robust health benefits, and a pension. This vicious cycle is perpetuated by the state's refusal to bolster the nonprofit sector. The current system configuration is designed to fail.

Too often we are referred to as 'charities' and are encouraged to engage with philanthropists and foundations to meet the growing monetary needs of our organizations. That suggestion is short sighted and ignorant and fails to address the ongoing expenses associated with the cost of doing business. Failing to commit to a financially responsible plan to meet the increased demands on private providers is willful neglect on behalf of this state.

We need immediate investment in existing private provider contracts and a commitment to support the undeniable and indisputable fact of inflation. Nonprofit organizations **want** to fulfill the service provisions of state contracts. We **want** to support the most vulnerable among our communities and provide compassionate, creative, and necessary care. It is increasingly burdensome to fulfill our obligations using funding methodologies from the early 2000's; nor are we permitted to downsize our services to align with the condensed funding. We are rendered powerless in this illogical conundrum.

State operated budget contracts benefit from regular cost of living increases. The failure to mimic this among nonprofit contracts is insulting, invalidating, and disheartening. The nonprofit sector is designed to complement state operated services and the funding commitment should be modeled similarly. Devising a plan that recognizes and values the business realities of the nonprofit sector is the fiscally responsible step to ensuring that the community safety net remains in place and becomes whole again.

Thank you for your time and attention,

A handwritten signature in cursive script that reads "Carrie J. Dyer". The signature is written in dark ink and is positioned above the printed name.

Carrie Dyer, MS

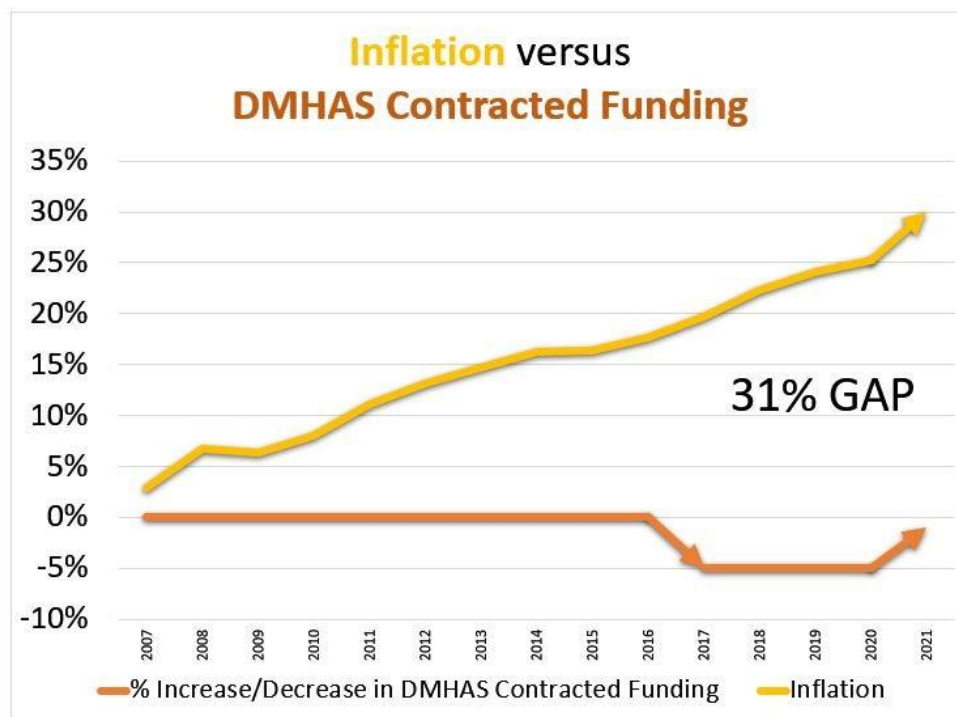
Appropriations Committee Public Hearing
HB 5037: An Act Adjusting the State Budget for the Biennium ending June 30, 2023
February 24, 2022 | 2:00 pm | Zoom

Good afternoon/evening, Senator Osten, Representative Walker, ranking members Miner and France and distinguished members of the Appropriations Committee:

My name is Carrie Dyer and I am the CEO of Reliance Health, a community mental health non-profit organization that contracts with the Connecticut Departments of Developmental Services and Mental Health and Addiction Services. We have proudly served Eastern Connecticut for over 45 years and have evolved to meet the changing needs of our community. I am speaking in support of correcting the historic underfunding of the nonprofit sector and establishing a plan to recognize and adjust for inflation in a clear and dedicated way.

Our agency received no funding increase for 10 years between 2007 and 2017 and then suffered a 5% budget cut in 2017. Last year, in 2021, we received a 4% budget boost. That leaves us 1% below our 2007 funding while facing expenses that align with a cumulative 31% rate of inflation.

Here's how that looks:



Within these confines, Reliance Health is expected to properly maintain 18 properties, absorb business and health insurance costs, implement updated and upgraded technologies, onboard and retain staff with a living wage, provide educational opportunities, meet heightened electronic documentation standards, and keep up with expenses for food, utilities, vehicles, gas, etc.

Chronic and persistent underfunding in conjunction with the pandemic is breaking us. Our waiting lists are absurdly long, programs are understaffed, and the demand for services escalates. Inadequate fiscal support results in failing those who need us most.

Testifying for proper funding should not be an annual event. Each year we try a different tactic to shed light on the circumstances the State of Connecticut imposes on the nonprofit sector. The onus is put on us to plead our case, tell the stories, advocate for proper recognition, and suggest solutions for a broken system. The process is degrading and backward.

We have created fiscally responsible systems of care that are responsive to community needs, reflective of state projects and best practices, adaptive to the changing landscape, and designed to focus on the strengths of those we serve. While the Legislature's focus on new mental health and substance use initiatives is highly commendable, they will ultimately suffer if the nonprofit foundation is not reinforced.

Please match our unwavering dedication to the people of Connecticut by allocating the resources necessary to restore, reinforce, and sustain the safety net that is the private, nonprofit sector.

Thank you for your time and attention.

Sincerely,

A handwritten signature in cursive script that reads "Carrie Dyer". The signature is fluid and elegant, with the first name "Carrie" and last name "Dyer" clearly distinguishable.

Chief Executive Officer
Reliance Health, Inc.

**Testimony before the Appropriations Committee, Health Subcommittee, regarding:
H.B. 6439: AN ACT CONCERNING THE STATE BUDGET FOR THE BIENNIUM ENDING
JUNE THIRTEENTH, 2023, AND MAKING APPROPRIATIONS THEREFOR**

Public Hearing Tuesday, March 2, 2021 at 10:00 am

Good afternoon Senator Osten, Representative Walker, Senator Miner, Representative France and distinguished members of the Appropriations Committee.

My name is Carrie Dyer. I am a registered voter in the town of Ashford and am the CEO of Reliance Health, Inc. Our organization is primarily funded by the Connecticut Departments of Mental Health and Addiction Services and Developmental Services. I wish to share comment with regard to H.B. 6439.

Our agency provides a wide variety of services to individuals who navigate mental health, substance, and intellectual challenges. We have provided these services since 1976 and have grown and adapted to the needs of our community. We are creative, optimistic, and nimble. Sadly, we have been forced to use that skillset to cope with neglectful funding patterns.

Since 2007, the nonprofit sector has had flat funding. That is 14 years – half of my career – of no increases to account for inflation, insurance premiums, technology demands, housing expenses, and the overall cost of doing good business. Ironically, we hold three leases with the State of Connecticut for properties where we provide residential supports. The state, citing escalating administrative costs, raises our leasing fee at each renewal. Yet our State of Connecticut funding does not increase; thus, reducing resources to support the individuals living in those homes. It is absurd.

This is not my first time testifying on this topic. I could have copied and pasted from my previous testimonials, but clearly, they weren't effective. Nothing changed. I have struggled to decide how to put words to my frustration. This pattern is not only illogical but insulting. Our contracts, unlike our State counterparts, have been frozen in time yet we are expected to meet the increased expenses and demands without question or complaint.

Each year, we are told that we are valuable; that we are essential; that we are the safety net. This year I ask you to prove it. Advocate for us. Treat us with the dignity and respect that we so readily provide to our communities.

Thank you for your time,

A handwritten signature in cursive script that reads "Carrie Dyer". The signature is written in black ink and is positioned above the printed name and title.

Carrie Dyer, CEO
Reliance Health, Inc.

DATE: February 21, 2020

TO: Members of the Appropriations Committee

FROM: Carrie Dyer, Chief Executive Officer of Reliance Health, Inc., Norwich, CT

RE: Appropriations Public Hearing on the Governor's Proposed FY 21 Budget Adjustments

Senator Osten and Members of the Appropriations Committee:

My name is Carrie Dyer and I am the CEO of Reliance Health, a nonprofit, community mental health organization serving Eastern Connecticut. We serve over 1,000 individuals a year who live at or below poverty level and who are challenged by mental health and substance use diagnoses. We employ over 250 individuals to accomplish our mission to enhance health through mental wellness. Throughout my 25 years at the agency, state budget announcements have been received with disappointment, defeat, and frustration as logic and fiscal realities are repeatedly ignored.

We are a BUSINESS stuck in a bizarre funding model. We provide services that are in high demand, yet we cannot expand to accommodate those needs. We are not permitted to modify our existing contracts to account for increased costs and mandates. We compete with our funders on an uneven playing field for programs and employees. We provide activities and data to generate revenue, yet do not receive any funds in return. We are instructed by Governor Lamont to seek philanthropic sources to bolster our budget while state issued cost standards explicitly disallow fundraising activities.

It is in our nature to be cooperative and compassionate. We are nimble and creative. We love our work. But this is simple math. Flat funding is a dismissal of the realities of operating a business. Over the past 10 years, our electronic medical record saw a 45% increase in cost (roughly \$100,000). Employee benefits increased 67% (roughly \$800,000). Gas, electricity, food, equipment, insurances, trainings, legal fees, materials...all expenses increase over time. Yet we are expected to squeeze those costs from a stagnant budget without complaint.

You know we do good work. You've presented us with official Citations and honor our contributions to the community. You attend our events and activities. You meet the people we partner with in their recovery. You see us get voted year after year as a Top Workplace by our employees. You follow our successes on social media and in the news. Yet when we ask for the support to keep up with the cost of doing business, you turn a deaf ear.

Now is the time to make things right. **We are worth it.**

Thank you for your attention,

A handwritten signature in cursive script that reads "Carrie Dyer". The signature is written in dark ink and is positioned above the printed name and title.

Carrie Dyer, CEO
Reliance Health, Inc.

Testimony Regarding Raised House Bill # 7027

An Act Concerning the State Budget for the Biennium Ending

June Thirtieth 2019, and Making Appropriations Therefor

Presented to the State of Connecticut General Assembly, Appropriations Committee

Thursday, February 23rd, 2017

My name is Carrie Dyer and I am the Chief Operating Officer of Reliance Health in Norwich, a private, non-profit organization providing mental health services throughout Eastern Connecticut. In conjunction with the Connecticut Departments of Mental Health and Addiction Services and Developmental Services, we provide opportunities to individuals who lack the financial means to obtain such services without the benefit of private health insurance coverage.

Our programs vary as widely as the people we serve. We offer shelter and supportive housing, veterans outreach, educational and employment coaching, daily living skills...the things that you and I, given our health, take for granted. In my 22 years of employment at Reliance Health, I have taken great pride in the relationships that we have formed and the evolution of our services.

Despite our lean budget and meager pay scale, I have been continuously impressed by our organization's creativity, optimism, genuine compassion, and vigilance. Those qualities, however, have ultimately shortchanged our communities and our system as a whole. While our budgets atrophy year after year due to lack of adjustments for inflation, we nimbly reallocate and rearrange and create the false impression that we can continue down this dangerous path. Meanwhile, the financial discrepancies between non-profit and state funded services grow. We, as a state, can no longer provide a two-tiered system of care by underfunded non-profits and richly funded, redundant services offered by state-run organizations.

The State of Connecticut is fortunate to have many non-profit providers who are willing and able to fulfill the mission of meeting the health needs of our most vulnerable neighbors. Non-profits generally operate with budgets roughly 50% less than their state-operated counterparts. Transitioning direct service provision to the non-profit sector with **acclimated funding levels** and eliminating the duplicative services offered by state-run organizations is a cost efficient and responsible budgeting decision. Non-profit organizations are resourceful, innovative, and economical and we are prepared for the next phase of full-service provision on behalf of the State of Connecticut.

Thank you for your time.

A handwritten signature in cursive script that reads "Carrie Dyer". The signature is written in a dark ink and is positioned above the printed name and title.

Carrie Dyer, COO
Reliance Health, Inc.